

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

MAXLINEAR, INC.,

Plaintiff,

V.

SILICON LABORATORIES, INC.,

Defendant.

CASE NO. 12cv1161-H (MDD)

**ORDER RE: JOINT MOTION
FOR DETERMINATION OF
DISCOVERY DISPUTE RE:
THIRD PARTY DISCOVERY
SUBPOENAS**

[ECF NO. 183]

BACKGROUND

Before the Court is a dispute between Plaintiff in this patent case, Maxlinear, Inc., (“Maxlinear”) and Defendant Silicon Labs, Inc. (Silicon Labs). In a related patent case before this Court, to which this dispute also applies, Maxlinear is the defendant and Silicon Labs is the plaintiff. (Case No. 12cv1765). The dispute regards subpoenas issued to the law firm of McAndrews Held & Mallory, Ltd., and two of its attorneys, Wayne Bradley and Chad Gilles. The McAndrews firm represents Maxlinear in this litigation as co-counsel and in certain patent prosecution matters. The subpoenas were issued in the Northern District of Illinois as required by Fed.R.Civ.P. 45. By agreement of the parties and with the consent of the assigned District Judge in Chicago,

1 this Court accepted jurisdiction over the dispute. The joint motion was
2 filed on July 30, 2013. (ECF No. 183).

3 The third party discovery sought by Silicon Labs seeks information
4 regarding compliance by Maxlinear and its attorneys with the Protective
5 Order issued in this case. (ECF No. 29). Of significance here, paragraph
6 7 of the Protective Order provides, in part:

7 Furthermore, any individual who receives
8 "HIGHLY CONFIDENTIAL - FOR COUNSEL
9 ONLY" or "HIGHLY CONFIDENTIAL - SOURCE
10 CODE" information may not engage in Strategic
11 Patent Prosecution Activities in the fields to which
12 the disclosed information pertains on behalf of the
13 receiving party for a period of one year after they
14 last had access [to such information] under this
15 Order. "Strategic Patent Prosecution Activities"
16 includes: counseling the receiving party regarding
17 future claim drafting and amendments, counseling
18 regarding selection of and drafting of applications
19 for filing, or other activities that involve
20 competitive decision making regarding patent
21 prosecution.

22 This provision does not disqualify law firms from representing their
23 client, whether it is Maxlinear or Silicon Labs, in litigation and patent
24 prosecution simultaneously - it does, however, prohibit individual
25 attorneys from participating in patent prosecution after receiving
26 information designated as highly confidential produced in this litigation.

27 DISCUSSION

28 Fed.R.Civ.P. 26(b)(1) allows parties to obtain discovery regarding
29 "any nonprivileged matter that is relevant to any party's claim or
30 defense . . ." The Rule also provides that

31 [f]or good cause, the court may order discovery of
32 any matter relevant to the subject matter involved
33 in the action. Relevant information need not be
34 admissible at the trial if the discovery appears
35 reasonably calculated to lead to the discovery of
36 admissible evidence.

1 A threshold question, raised by Maxlinear, is whether any discovery is
2 contemplated and authorized under Rule 26 regarding a potential
3 violation of the Court's Protective Order. The party's submissions do not
4 identify any case on point, relying instead on general discovery cases.
5 Consequently, the issue regarding discovery boils down to relevance.

6 The Court finds that the information sought is not relevant to any
7 claim or defense in either of the subject cases. Even if good cause was
8 demonstrated opening up discovery to the subject matter of the
9 litigation, the information would not be relevant. The discovery
10 requested does not inform any claim or defense and is likely inadmissible
11 at trial. Nor does it appear that the information sought is reasonably
12 calculated to lead to the discovery of admissible evidence. Failing the
13 threshold inquiry of relevance, the motion to quash the subpoenas must
14 be granted.

15 That does not end the inquiry. The Court must consider whether
16 the allegations of Silicon Labs provide a sufficient basis for the Court to
17 issue an order to show cause why Maxlinear and its counsel should not
18 be held in contempt or otherwise sanctioned for violating the Court's
19 Protective Order. If a sufficient basis is presented, the Court would not
20 authorize discovery but the Court could require Maxlinear and its
21 attorneys to present evidence of their compliance with the Protective
22 Order. Consequently, the Court must consider the sufficiency of the
23 allegations by Silicon Labs.

24 Silicon Labs asserts that on several occasions following the
25 production of highly confidential material, attorney Bradley filed
26 amendments to certain patents alleged to be related to the patents-in-
27 issue in this litigation. Mr. Bradley was not litigation counsel. Silicon
28 Labs suggests that the timing of the amendments raises concerns that

1 information was disseminated from the litigation attorneys at the
2 McAndrews firm to the patent attorneys. Mr. Bradley later joined the
3 litigation team and ceased his activities on the patent side. He was
4 replaced, according to Silicon Labs, with a first-year associate, Mr. Gilles
5 who, Silicon Labs asserts, may have been supervised in his patent
6 activities by Mr. Bradley.

7 Maxlinear asserts that its attorneys all strictly complied with the
8 terms of the Protective Order. Mr. Gilles, despite his recent entrance to
9 the bar, was a registered patent agent for years prior to his admission
10 and was not supervised by Mr. Bradley. Silicon Labs has not identified
11 any particular detail of the highly confidential material disclosed that
12 supports its claims of leakage. Nor has any evidence been produced that
13 Mr. Bradley continued to assist on the patent side after moving to
14 litigation. There is nothing in the record demonstrating Mr. Gilles' lack
15 of competence or that Mr. Bradley crossed the bright line of the
16 Protective Order.

17 The Court finds an insufficient basis to issue an order to show
18 cause.

19 CONCLUSION

20 Maxlinear's motion to quash, presented in this joint motion, is
21 **GRANTED**. Further, construing the joint motion also to contain a
22 motion by Silicon Labs for an order to show cause, that motion is
23 **DENIED**. The Court declines to assess costs.

24 IT IS SO ORDERED.

25 DATED: August 2, 2013

26
27 
28 Hon. Mitchell D. Dembin
U.S. Magistrate Judge